

# CHAPTER 1

## PURPOSE AND NEED

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### 1.1 INTRODUCTION

In accordance with Section 3404(c) of the Central Valley Project Improvement Act (CVPIA), the Bureau of Reclamation (Reclamation) proposes to renew the long-term water service contracts for water contractors in the western Sacramento Valley for a period of 25 or 40 years, depending on water use. These contractors currently receive water under an interim contract that will expire on February 28, 2006. By renewing the long-term contracts in early 2005, Reclamation would continue delivering Central Valley Project (CVP) water to the contractors for 25 years for agricultural and municipal/industrial (M&I) purposes of use, or 40 years for M&I purposes of use only, from March 1, 2005, through February 28, 2030.

The CVP was authorized in 1935 and is the largest water storage and delivery system in California, covering 35 of the state's 58 counties. The CVP is divided into nine divisions, of which the Sacramento River Division is one. The Sacramento River Division, authorized on September 29, 1950, is further divided into the Tehama-Colusa Canal Unit and the Corning Canal Unit; the Black Butte Unit was incorporated in 1963. The Sacramento River Division contains 18 contractors served primarily by the Tehama-Colusa Canal (TCC) and the Corning Canal, in Tehama, Glenn, Colusa, and Yolo Counties, although additional districts west of the TCC that receive CVP water from Black Butte Reservoir are also included. Water contractors in the Sacramento River Division covered in this document are listed in Table 1-1 and locations of those contractors receiving more than 100 acre-feet (af) of water are shown in Figure 1-1. Appendix F provides a copy of a representative water service contract; Appendix G provides maps of all the applicable service areas.

Two alternatives that would accomplish the purpose and need of the proposed action, as well as a no action alternative, are evaluated in this environmental assessment (EA). Reclamation has prepared this EA to determine if renewing the Sacramento River Division long-term water service contracts would result in any site-specific significant

**Table 1-1**  
**Water Contractors in West Sacramento Valley/Sacramento River Division**

| Unit/Contractor                  | Contract Quantity<br>(acre-feet) |
|----------------------------------|----------------------------------|
| <b>Tehama-Colusa Canal Unit</b>  |                                  |
| Colusa County WD                 | 62,200                           |
| Colusa, County of                | See Subcontractors below         |
| Colusa County WD                 | 5,965                            |
| Cortina WD                       | 1,700                            |
| Four-M WD                        | 5,700                            |
| Glenn Valley WD                  | 1,730                            |
| Holthouse WD                     | 2,450                            |
| La Grande WD                     | 2,200                            |
| Myers Marsh Mutual Water Company | 255                              |
| Davis WD                         | 4,000                            |
| Dunnigan WD                      | 19,000                           |
| Glide WD                         | 10,500                           |
| Kanawha WD                       | 45,000                           |
| Kirkwood WD                      | 2,100                            |
| La Grande WD                     | 5,000                            |
| Orland-Artois WD                 | 53,000                           |
| Westside WD (1 and 2)            | 65,000                           |
| <b>Corning Canal</b>             |                                  |
| Corning WD                       | 23,000                           |
| Proberta WD                      | 3,500                            |
| Thomes Creek WD                  | 6,400                            |
| <b>Other</b>                     |                                  |
| Stony Creek WD                   | 2,920                            |
| Stonyford                        | 40                               |
| Whitney Construction             | 25                               |
| 4-E WD                           | 20                               |
| US Forest Service                | 55                               |

Note: WD = Water District

1-1 Sacramento River Division – Regional Location

impacts to the natural or human environment. This EA has been prepared pursuant to and in accordance with the National Environmental Policy Act (NEPA) of 1969 (42 USC§ 4321-4370d), the Council on Environmental Quality (CEQ) regulations on implementing NEPA (40 CFR Parts 1500-1508), and Reclamation's NEPA handbook (Bureau of Reclamation 1990).

## **1.2 PURPOSE AND NEED FOR ACTION**

The CVPIA, Title XXXIV of the Reclamation Projects Authorization and Adjustment Act of 1992 (Public Law 102-575), amended the previous authorizations of the CVP to include fish and wildlife protection, restoration, and mitigation as project purposes having equal priority with irrigation and domestic uses, and fish and wildlife enhancement as a project purpose equal to power generation. Section 3404(c) of the CVPIA directs the Secretary of Interior to:

“ . . . upon request, renew any existing long-term repayment or water service contract for the delivery of water for a period of 25 years and may renew such contracts for successive periods of up to 25 years each . . . (after) appropriate environmental review, including preparation of the environmental impact statement required in section 3409 . . . .”

Section 3409 of the CVPIA required the Secretary to prepare a programmatic environmental impact statement (PEIS) to evaluate the direct and indirect impacts and benefits of implementing the CVPIA. Reclamation and the US Fish and Wildlife Service (Service), a co-lead for the PEIS, released the final PEIS in October 1999 (Reclamation 1999a). This EA tiers off the PEIS to evaluate potential site-specific environmental impacts of renewing the long-term water service contracts for the Sacramento River Division contractors.

The purpose of this project is to renew the Sacramento River Division water service contracts, consistent with the provisions of CVPIA. The project alternatives will include the terms and conditions of the contracts and tiered water pricing.

Long-term contract renewal (LTCR) is needed to:

- Continue beneficial use of water, developed and managed as part of the CVP, with a reasonable balance among competing demands, including the needs of irrigation and domestic uses; fish and wildlife protection, restoration, and mitigation; fish and wildlife enhancement; power generation; recreation; and other water uses consistent with requirements imposed by the State Water Resources Control Board (SWRCB) and the CVPIA;
- Incorporate certain administrative conditions into the renewed contracts to ensure CVP continued compliance with current federal reclamation law and other applicable statutes; and

- Allow the continued reimbursement to the federal government for costs related to CVP construction and operation.

The area of analysis for this EA includes portions of Tehama, Glenn, Colusa and Yolo Counties within the boundaries of the Sacramento River Division contractors that may be affected by the proposed action. The analysis for this EA was conducted for projected conditions in 2026, the initially proposed 25-year contract renewal period. Because the process was delayed and the current proposed 25-year contract renewal period is now 2030, the analysis was revisited to review the economic impacts as a result of extending the renewal period. It was determined that the basic assumptions of land use, cropping patterns, etc. have not changed because the future conditions were assumed at full delivery, therefore the results have not changed. The analysis that was originally completed applies to the current proposed contract period of 2030.

### **1.3 PUBLIC INVOLVEMENT**

On October 15, 1998, Reclamation published a notice of intent (NOI) in the Federal Register to announce the preparation of environmental documents for long-term renewal of CVP water service contracts. Interested parties were encouraged to attend scoping meetings and informational workshops to comment on the environmental documents. Scoping meetings were held at eight locations throughout the CVP service area. Reclamation prepared a scoping report, documenting the process, in April 1999 (Reclamation 1999b).

The Draft EA was circulated for public and agency review for 30 days. This public comment period provided an opportunity for the public to review the issues addressed in the impact analysis and to offer comments on any aspect of the process. Comments on the Draft EA have been responded to and appropriate revisions were made in the Final EA. The Draft EA was revised and recirculated for public comment for a 30-day period in September 2003, and again in July 2004 following negotiations of the draft contract and finalization of the Biological Assessment.

### **1.4 RELATED ACTIVITIES**

There are several activities being implemented by Reclamation as part of the obligation to manage and operate the CVP. The following discussion identifies these activities and describes their relation to the renewal of the Sacramento River Division water service contracts. Related studies and projects that have been conducted recently or are currently being completed are summarized in Table 1-2.

**Table 1-2  
Related Activities**

| Project or Study and Lead Agency   | Summary   |
|--|---|
| Long-Term Contract Renewal of Other Existing CVP Water Service Contracts – Reclamation   | Reclamation is in negotiation with other CVP water contractors for renewal of long-term contracts.  |
| Renewal of Sacramento River Settlement Contracts - Reclamation   |   |
| CALFED Bay-Delta Program – CALFED  | Established in May 1995, the consortium of federal and state agencies is charged with the development of a long-term solution to the Delta water concerns. CALFED is completing an EIR/EIS as part of this process. Renewal of Long-Term CVP Contracts is assumed within the CALFED EIR/EIS.  |
| Coordinated Operating Agreement (COA) and Operations Criteria and Plan (OCAP) Update – US Bureau of Reclamation and California Department of Water Resources | Provisions and requirements of the CVPIA, SWRCB Order 1641, the CALFED Bay-Delta Program, and other agency mandates require that the existing operational roles and responsibilities of the SWP and CVP be reviewed and updated to provide appropriate long-term operating criteria and procedures for the two primary water storage and delivery projects affecting waterways of the Central Valley. The OCAP Biological Opinion (BO) was completed in August of 2004. |